



**REPORT OF THE AUDITOR OF PUBLIC ACCOUNTS  
AUDIT OF THE  
DEPARTMENT OF FISH AND WILDLIFE RESOURCES**

**Made as Part of the Statewide Single Audit  
of the Commonwealth of Kentucky**

**For the Year Ended June 30, 2001**

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## **EXECUTIVE SUMMARY**

### **Report of the Auditor of Public Accounts Audit of the Department of Fish and Wildlife Resources For the Year Ended June 30, 2001**

**BACKGROUND:** The Single Audit Act of 1984, subsequent amendments, and corresponding regulations, require the auditing of financial statements and the compliance and internal controls applicable to federal moneys received by the Commonwealth. To comply with these requirements, we audited internal controls and compliance at both the central and agency level. This summary is on our audit of one (1) organizational unit of the Commonwealth, the Department of Fish and Wildlife Resources.

The Department of Fish and Wildlife Resources functions as stewards of Kentucky's fish and wildlife resources. The department manages for the perpetuation of these resources and their use by present and future generations. Through partnerships, the department will enhance wildlife diversity and promote sustainable use, including hunting, fishing, and boating and other nature-related recreation.

**EXPENDITURES:** The Department of Fish and Wildlife Resources expended federal awards in the following manner:

- \$7,516,446 in cash from seven (7) federal grantors
- \$21,000 in noncash grants

### **SUMMARY OF AUDITORS RESULTS:**

#### **Financial Statement Accounts**

We did not perform a financial statement audit specific to the Department of Fish and Wildlife Resources.

#### **Federal Awards and Schedule of Expenditures of Federal Awards**

Compliance: No instances of noncompliance.

Internal Control Over Compliance: No instances of reportable conditions.

#### **Other Matters**

- Weakness noted in monitoring timesheet reporting
- Weakness noted for lack of prior approval for overtime and leave requests



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There were no prior year audit findings to report.	



## **INTRODUCTION**





**DEPARTMENT OF FISH AND WILDLIFE RESOURCES  
INTRODUCTION  
FOR THE YEAR ENDED JUNE 30, 2001**

Introduction

The Auditor of Public Accounts (APA), acting as principal auditor in conjunction with various certified public accounting firms, annually performs a statewide single audit of the Commonwealth of Kentucky. This audit allows the Commonwealth to comply with federal audit requirements as set forth in the Single Audit Act of 1984, as amended by Public Law 104-156, and the regulations contained in the Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

Schedule of Expenditures of Federal Awards

This report contains the Schedule of Expenditures of Federal Awards for the Department of Fish and Wildlife Resources. The Notes to the Schedule of Expenditures of Federal Awards provide more detailed information on certain aspects of the expenditures, such as the amount given to subrecipients.

Since not all state agencies use the Management Administrative Reporting System (MARS) Subsystems for Projects, the APA requested the Department of Fish and Wildlife Resources to prepare worksheets of federal financial assistance, both cash and noncash. The source of these worksheets included MARS, agency accounting systems, agency manual records, etc. The Department of Fish and Wildlife Resources was also asked to reconcile the worksheets to MARS and to federal grantor reports. These worksheets were compiled into the accompanying Schedule of Expenditures of Federal Awards.

Schedule of Findings and Questioned Costs

The Schedule of Findings and Questioned Costs consists of three (3) sections:

- Summary of Auditor's Results,
- Financial Statement Findings, and
- Federal Award Findings and Questioned Costs.

The audit finding number and classification (as reportable, material, or other matter) are provided as part of the audit opinion summary. Major programs audited are listed on the Summary of Auditor's Results. The Financial Statement Findings list the audit findings related to the financial statements (required to be reported in accordance with *Government Auditing Standards*). The Federal Award Findings and Questioned Costs lists all findings related to federal awards. Generally, the state agency, CFDA number and program, federal agency, pass-through agency, and the compliance area to which the finding relates are presented. In both reports, reportable conditions and reportable instances of noncompliance are presented first, then material weaknesses and material instances of noncompliance, then other matters.

**DEPARTMENT OF FISH AND WILDLIFE RESOURCES  
INTRODUCTION  
FOR THE YEAR ENDED JUNE 30, 2001  
(CONTINUED)**

Summary Schedule of Prior Audit Findings

The Department of Fish and Wildlife Resources has not had an audit in recent years. There is not a Summary Schedule of Prior Audit Findings.

Audit Approach

Our audit was conducted in accordance with the Single Audit Act Amendments of 1996, OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, *Government Auditing Standards* (also referred to as the Yellow Book), and auditing standards generally accepted in the United States of America. The scope of the statewide single audit for the year ended June 30, 2001 included:

- An audit of the general-purpose financial statements and required supplementary schedules in accordance with auditing standards generally accepted in the United States of America;
- An audit of the supplementary Schedule of Expenditures of Federal Awards in accordance with auditing standards generally accepted in the United States of America;
- An audit of the internal control applicable to the Department of Fish and Wildlife Resources' organizational units and administrative bodies, to the extent necessary to consider and test the internal accounting and administrative control systems as required; and
- A selection and testing of transactions and records relating to each major program to obtain reasonable assurance that the Department of Fish and Wildlife Resources administers its major programs in compliance with laws and regulations for which noncompliance could have a material effect on the allowability of program expenditures or on the Commonwealth's general-purpose financial statements.

The APA conducted the audit of internal controls, focusing on the following objectives:

- Considering the internal control in order to determine auditing procedures on the general-purpose financial statements of the Commonwealth.
- Determining if the Department of Fish and Wildlife Resources has internal controls to provide reasonable assurance that it is managing the major programs in compliance with applicable laws and regulations.

**DEPARTMENT OF FISH AND WILDLIFE RESOURCES  
INTRODUCTION  
FOR THE YEAR ENDED JUNE 30, 2001  
(CONTINUED)**

List of Abbreviations/Acronyms Used in This Report

APA	Auditor of Public Accounts
CFDA	Catalog of Federal Domestic Assistance
COE	U.S. Army Corp of Engineers
Commonwealth	Commonwealth of Kentucky
FY	Fiscal Year
KDFWR	Kentucky Department of Fish and Wildlife Resources
KRS	Kentucky Revised Statutes
MARS	Management Administrative Reporting System
NA	Not Applicable or Not Available
OMB	Office of Management and Budget
U.S.	United States

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**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**



**DEPARTMENT OF FISH AND WILDLIFE RESOURCES  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FEDERAL ASSISTANCE PROGRAMS  
FOR THE YEAR ENDED JUNE 30, 2001**

Federal Grantor CFDA #/ Program Title	Pass-through Grantor's #	Expenditures	
		Cash	Noncash
<b><u>U.S. Department of Agriculture</u></b>			
<b>Direct Programs:</b>			
10.914 Wildlife Habitat Incentive Program (Note 2)	NA	\$ 62,213	\$ 21,000
<b><u>U.S. Department of Defense</u></b>			
<b>Direct Programs:</b>			
N/A Monitoring of Wildlife Project	NA	34,450	
<b><u>U.S. Department of the Interior</u></b>			
<b>Direct Programs:</b>			
15.605 Sport Fish Restoration	NA	3,092,971	
15.611 Wildlife Restoration (Note 4)	NA	2,394,579	
15.615 Cooperative Endangered Species Conservation Fund	NA	118,310	
15.616 Clean Vessel Act	NA	29,022	
15.617 Wildlife Conservation and Appreciation	NA	67,150	
15.618 Administrative Grants for Federal Aid in Sport Fish and Wildlife Restoration (Note 3)	NA		
15.623 North American Wetlands Conservation Fund	NA	954,720	
15.810 National Cooperative Geologic Mapping Program	NA	98,313	
N/A Wolf Creek National Fish Hatchery	NA	3,217	
N/A National Fish and Wildlife Foundation-Restoration of Elk Habitat In Kentucky	NA	554	
<b><u>U.S. Department of Justice</u></b>			
<b>Passed Through From Justice Cabinet-Office of the Secretary</b>			
16.607 Bulletproof Vest Partnership Program	NA	1,749	
<b><u>U.S. Department of Transportation</u></b>			
<b>Direct Program:</b>			
20.005 Boating Safety Financial Assistance	NA	649,838	

See accompanying Notes to the Schedule of Expenditures of Federal Awards

**DEPARTMENT OF FISH AND WILDLIFE RESOURCES  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FEDERAL ASSISTANCE PROGRAMS  
FOR THE YEAR ENDED JUNE 30, 2001  
(CONTINUED)**

Federal Grantor CFDA #/ Program Title	Pass-through Grantor's #	Expenditures	
		Cash	Noncash
<u>U.S. Environmental Protection Agency</u>			
Direct Programs:			
66.461 Wetlands Grants	NA	\$ 9,360	
<u>U.S. Federal Emergency Manangement Agency</u>			
Direct Programs:			
83.544 Public Assistance Grants (Note 3)	NA		
Total Department of Fish and Wildlife Resources		\$ 7,516,446	\$ 21,000

See accompanying Notes to the Schedule of Expenditures of Federal Awards



**DEPARTMENT OF FISH AND WILDLIFE RESOURCES  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2001**

**Note 1 - Purpose of the Schedule and Significant Accounting Policies**

**Purpose of the Schedule** - OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, requires a Schedule of Expenditures of Federal Awards showing each federal financial assistance program as identified in the *Catalog of Federal Domestic Assistance*.

**Basis of Presentation** - The accompanying Schedule of Expenditures of Federal Awards is presented in accordance with OMB Circular A-133. As defined in the Circular, federal financial assistance “. . . means assistance that non-federal entities receive or administer in the form of grants, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other assistance, but does not include amounts received as reimbursement for services rendered to individuals . . .” It includes awards received directly from federal agencies, or indirectly through other units of state and local governments. Accordingly, the accompanying schedule includes both cash and noncash federal financial assistance programs. Those programs that have not been assigned a catalog number, or for which the catalog number was not available, have been shown either at the bottom of the relevant federal grantor subheading or under the “Other Federal Assistance” subheading.

**Reporting Entity** - The accompanying schedule includes all federal financial assistance programs administered by the Department of Fish and Wildlife Resources. The Department of Fish and Wildlife Resources is an organizational unit of the Commonwealth as defined by KRS 12.010 and is included in the Commonwealth entity for financial reporting purposes.

**Basis of Accounting** - The cash expenditures on the accompanying schedule are presented primarily on the basis of cash disbursements as modified by the application of KRS 45.229. Consequently, certain expenditures are recorded in the accounts only when cash is disbursed.

KRS 45.229 provides that the Finance and Administration Cabinet may, “. . . for a period of thirty (30) days after the close of any fiscal year, draw warrants against the available balances of appropriations made for that fiscal year, for the payment of expenditures incurred during that year or in fulfillment of contracts properly made during the year, but for no other purpose.” However, there is an exception to the application of KRS 45.229 in that regular payroll expenses incurred during the last pay period of the fiscal year are charged to the next year.

The Commonwealth’s general-purpose financial statements is presented on the modified accrual or accrual basis of accounting, depending on fund type. Therefore, the schedule may not be directly traceable to the general-purpose financial statements in all cases.

**DEPARTMENT OF FISH AND WILDLIFE RESOURCES  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2001  
(CONTINUED)**

**Note 1 - Purpose of the Schedule and Significant Accounting Policies (Continued)**

**Basis of Accounting (Continued)**

The noncash expenditures presented on this schedule represent the noncash assistance expended by the Department of Fish and Wildlife Resources during the period July 1, 2000 through June 30, 2001, using the method or basis of valuation as described in the notes to the schedule for each program. These noncash assistance programs are not reported in the Commonwealth's general-purpose financial statements for the year ended June 30, 2001.

**Inter-agency Activity** - Certain transactions relating to federal financial assistance may appear in the records of more than one state agency. To avoid the overstatement of federal expenditures, the following policies were adopted for the presentation of the Department of Fish and Wildlife Resources' schedule:

- (a) Federal moneys may be received by one state agency (primary state agency - recipient) and passed through to another state agency (secondary state agency - subrecipient) where the moneys are expended. Except for pass-throughs to state universities as discussed below, this inter-agency transfer activity is reported in the schedule as follows:
  - Under the primary state agency, the federal program is reported as a direct program. However, the transfer of money to the secondary state agency is not included in the primary state agency's expenditures.
  - Under the secondary state agency, the federal program is reported as a pass-through program. The expenditure of the transferred moneys is reported in the secondary agency's expenditures.

Because the Department of Fish and Wildlife Resources' schedule excludes federal financial assistance related to state universities, when a state agency passes federal money to a state university, this is reported in the schedule as an expenditure of that state agency.

- (b) Federal moneys received by the Department of Fish and Wildlife Resources and used to purchase goods or services from another state agency are reported in the Department of Fish and Wildlife Resources' schedule as an expenditure.

**DEPARTMENT OF FISH AND WILDLIFE RESOURCES**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2001**  
**(CONTINUED)**

**Note 2 - Noncash Expenditure Programs**

The Department of Fish and Wildlife Resources had one (1) noncash program for the year ended June 30, 2001. This noncash program and a description of the method/basis of valuation follow.

<b>CFDA#</b>	<b>Program Title</b>	<b>Amount</b>	<b>Method/Basis of Valuation</b>
10.914	Wildlife Habitat Incentive Program	\$21,000	Office space (office supplies and telephone).
	Total Noncash Expenditures	<u>\$21,000</u>	

**Note 3 - Zero Expenditure Programs**

These programs had no expenditures during FY 01. They included programs with no activity during the year, such as old programs not officially closed out or new programs issued late in the fiscal year. They also included programs with activity other than expenditures.

**Note 4 - Wildlife Restoration (CFDA #15.611)**

The Department of Fish and Wildlife Resources leases properties from the U.S. Army Corp of Engineers (COE) for Condition Three and Condition Five Projects. These projects stipulate that the properties leased be managed for wildlife purposes and may produce income. The leases for wildlife management rights on the COE properties are non-monetary. At present, the Department of Fish and Wildlife Resources leases the following properties:

- Barlow Bottoms-Olmstead
- Barren River
- Birdsville Island
- Green River
- Dewey Lake
- Fishtrap Lake
- Lake Cumberland
- Paintsville Lake
- Sloughs-Grassy Pond

**DEPARTMENT OF FISH AND WILDLIFE RESOURCES  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED JUNE 30, 2001  
(CONTINUED)**

**Note 4 - Wildlife Restoration (CFDA #15.611) (Continued)**

Any expenditure in excess of revenue from each property listed above will be eligible for reimbursement under the Wildlife Restoration grant (CFDA #15.611) from the U.S. Department of the Interior. The properties listed above are not reimbursed with federal funds if the grant has already been expended to manage other wildlife properties. Since the grant was used to manage other properties, no expenditures for leased properties were federally reimbursed in FY 01.

**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL**





EDWARD B. HATCHETT, JR.  
AUDITOR OF PUBLIC ACCOUNTS

Report on Compliance With Requirements Applicable to Each  
Major Program and on Internal Control Over Compliance in Accordance With  
OMB Circular A-133 and on the Schedule of Expenditures of Federal Awards

To the People of Kentucky  
Honorable Paul E. Patton, Governor  
C. Thomas Bennett, Commissioner  
Department of Fish and Wildlife Resources

Compliance

As part of the Statewide Single Audit of the Commonwealth of Kentucky, we have audited the compliance of the Department of Fish and Wildlife Resources, an organizational unit of the Commonwealth of Kentucky as defined by KRS 12.010, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2001. The Department of Fish and Wildlife Resources' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Department of Fish and Wildlife Resources' management. Our responsibility is to express an opinion on the Department of Fish and Wildlife Resources' compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Department of Fish and Wildlife Resources' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the Department of Fish and Wildlife Resources' compliance with those requirements.

In our opinion, the Department of Fish and Wildlife Resources complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2001.

Report on Compliance With Requirements Applicable to Each  
Major Program and on Internal Control Over Compliance in  
Accordance With OMB Circular A-133 and on the  
Schedule of Expenditures of Federal Awards  
(Continued)

Internal Control Over Compliance

The management of the Department of Fish and Wildlife Resources is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Department of Fish and Wildlife Resources' internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts, and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses. However, we noted other matters involving the internal control over compliance that we have reported to management of the Department of Fish and Wildlife Resources and which are described in the accompanying schedule of findings and questioned costs.

Schedule of Expenditures of Federal Awards

We have audited the general-purpose financial statements of the Commonwealth as of and for the year ended June 30, 2001, and have issued our report thereon dated December 21, 2001. Our audit was performed for the purpose of forming an opinion on the general-purpose financial statements taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the general-purpose financial statements. Such information has been subjected to the auditing procedures applied in the audit of the Commonwealth's general-purpose financial statements taken as a whole.



Report on Compliance With Requirements Applicable to Each  
Major Program and on Internal Control Over Compliance in  
Accordance With OMB Circular A-133 and on the  
Schedule of Expenditures of Federal Awards  
(Continued)

Schedule of Expenditures of Federal Awards (Continued)

The Commonwealth's general-purpose financial statements are prepared on an accrual/modified accrual basis of accounting. However, the schedule of expenditures of federal awards of the Department of Fish and Wildlife Resources is prepared on the basis of cash disbursements as modified by the application of KRS 45.229. Consequently, certain expenditures are recorded in the accounts only when cash is disbursed. Accordingly, the schedule of expenditures of federal awards is not intended to present the expenditures of federal awards in conformity with accounting principles generally accepted in the United States of America.

In our opinion, except for the effect of the application of a different basis of accounting as explained above, the schedule of expenditures of federal awards of the Department of Fish and Wildlife Resources is fairly stated, in all material respects, in relation to the Commonwealth's general-purpose financial statements taken as a whole.

This report is intended solely for the information and use of management and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,



Edward B. Hatchett, Jr.  
Auditor of Public Accounts

Schedule of Expenditures of Federal Awards -  
December 21, 2001

April 30, 2002

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## **SCHEDULE OF FINDINGS AND QUESTIONED COSTS**



**DEPARTMENT OF FISH AND WILDLIFE RESOURCES  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2001**

**SECTION 1 - SUMMARY OF AUDITOR'S RESULTS**

**Financial Statement Accounts**

Financial Statement Accounts: We did not perform a financial statement audit specific to the Department of Fish and Wildlife Resources.

Internal Control Over Financial Reporting: We did not perform a financial statement audit specific to the Department of Fish and Wildlife Resources.

Compliance: We did not perform a financial statement audit specific to the Department of Fish and Wildlife Resources.

**Federal Awards and Schedule of Expenditures of Federal Awards**

Compliance: We issued an unqualified opinion on the Department of Fish and Wildlife Resources' compliance with the requirements applicable to each of its major federal programs.

Internal Control Over Compliance: Our consideration of the Department of Fish and Wildlife Resources' internal control over compliance disclosed no reportable conditions. However, we noted other matters involving internal control over compliance as described in Section 3 - Federal Award Findings and Questioned costs.

Schedule of Expenditures of Federal Awards: We issued a qualified opinion on the Department of Fish and Wildlife Resources' Schedule of Expenditures of Federal Awards because the schedule was presented on a basis of accounting that was not in conformance with accounting principles generally accepted in the United States of America as described in Note 1 of the schedule. The opinion was issued in relation to the Commonwealth's general-purpose financial statements taken as a whole.

**DEPARTMENT OF FISH AND WILDLIFE RESOURCES  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2001  
(CONTINUED)**

**SECTION 1 - SUMMARY OF AUDITOR'S RESULTS**

**Identification of Major Programs Audited**

OMB Circular A-133 defines a major program as "a Federal program determined by the auditor to be a major program in accordance with section \_\_.520 or a program identified as a major program by the Federal awarding agency or pass-through entity in accordance with section \_\_.215 (c)." Section \_\_.520 states, "The auditor shall use a risk-based approach to determine which Federal programs are major programs." We did not audit any major Type A programs; however, the following is a list of major Type B programs audited:

<b><u>CFDA #</u></b>	<b><u>Program Title</u></b>	<b><u>Expenditures</u></b>
15.605	Sport Fish Restoration	\$3,092,971
15.611	Wildlife Restoration	\$2,394,579

**Dollar Threshold Used to Distinguish Between Type A and Type B Programs**

The maximum dollar threshold used to distinguish between Type A and Type B programs was \$15,000,000. No Type A programs were audited in FY 01. However, two (2) Type B programs were audited.

**Auditee Risk**

The Commonwealth did not qualify as a low-risk auditee.

**SECTION 2 - FINANCIAL STATEMENT FINDINGS**

There were no findings for this section.

**DEPARTMENT OF FISH AND WILDLIFE RESOURCES  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2001  
(CONTINUED)**

**SECTION 3 - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

*Other Matters Relating to Internal Control and/or Compliance:*

**FINDING 01-FW-1: Employee Timesheets Should Be Examined And Signed By A Supervisor**

---

During our payroll testing, we examined a sample of 30 Department of Fish and Wildlife Resources employee timesheets for several attributes. We selected our sample of items from the time period ending November 15, 2000. The results of our testing included the following exceptions:

- There were 13 employee timesheets that were not signed by a supervisor, including one of the 13 timesheets, which was not signed by the employee.

**Recommendation**

We recommend that timesheets be examined and signed by the employee's supervisor. The employee and the supervisor should both sign the time sheet.

**Management's Response and Corrective Action Plan**

*Due to time constraints presented by the state payroll system and logistic problems involving field employees, many of KDFWR's timesheets are faxed in or mailed without supervisor signatures. Each timesheet without complete signatures is to be matched with a fully completed copy submitted at a later date or to be returned to the supervisor for proper approval. Two employees in the Administrative Services Division audit all timesheets for KDFWR. One employee audited all the timesheets with errors. That employee has been instructed, again, to review all timesheets before they are filed, checking for proper signatures. Periodic reviews of filed timesheets will be made to verify procedures are being followed.*

**DEPARTMENT OF FISH AND WILDLIFE RESOURCES  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2001  
(CONTINUED)**

**SECTION 3 - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

**FINDING 01-FW-2: Employees Should Submit Requests For Overtime And Accrued Leave To Their Supervisor For Approval**

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During our payroll testing, we examined a sample of 30 Department of Fish and Wildlife employee timesheets for several attributes. We selected our sample of items from the time period ending November 15, 2000. The results of our testing included the following exceptions:

- Two employees, who used leave time, did not have a leave request attached to the timesheet.
- Three employees who charged overtime on their timesheets did not have an overtime request form attached to their timesheet. All timesheets that had overtime charged did not have approval in advance.

**Recommendation**

We recommend appropriate requests for overtime and leave should be submitted to their supervisor by each employee prior to any overtime worked or leave taken.

**Management's Response and Corrective Action Plan**

*Supervisory approval must be acquired for any leave time taken and for any compensatory time earned. In the past this process was verified by completing and getting approval on KDFWR's A-6 form. The department no longer requires the use of the A-6. The form is available for use if the supervisor or employee desires. In many instances, supervisors, often due to geographic logistics, have elected to give verbal approvals in advance and follow up with approving the timesheet as written documentation. Our current supply of the booklet on Timesheet Procedures is almost gone and we are in the process of revising this publication to reflect these changes. In the interim, supervisors have instructed employees on any changes.*



